PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, May 14, 2009

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar.

Minutes

The Commission approved the minutes of the Open Meeting of Thursday, May 14, 2009.

5-AE-185 – Application of American Transmission Company LLC and Wisconsin Public Service Corporation for Approval of an Affiliated Interest Agreement Relating to Glory Road Substation Common Facilities (proposed notice of investigation)

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-AE-187 – Application of American Transmission Company LLC and Wisconsin Public Service Corporation for Approval of an Affiliated Interest Agreement Relating to Highway 22 and Werner West Remote Terminal Units (proposed notice of investigation)

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

5-DU-101 – Application of Wisconsin Electric Power Company and Wisconsin Gas, LLC for Certification of Depreciation Rates (proposed notice of investigation)

The Commission approved the Notice of Investigation and directed it be signed by the Secretary to the Commission on behalf of the Commission.

4820-WR-102 – Application of Prairie du Chien Municipal Water Utility, Crawford County, Wisconsin, for Authority to Increase Water Rates (proposed notice of proceeding and telephonic hearing)

The Commission approved the Notice of Proceeding and Telephonic Hearing and directed it be signed by the Secretary to the Commission on behalf of the Commission.

6680-SB-130 – Application of Wisconsin Power and Light Company for Authority to Issue and Sell Certain Securities in Connection With the Construction of New Generation Facilities

The Commission accepted the request filed on behalf of Wisconsin Power and Light Company to close this docket.

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The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

6680-SB-131 – Application of Wisconsin Power and Light Company for Authority to Issue and Sell Certain Securities in Connection With the Construction of its Baseload Facility

The Commission accepted the request filed on behalf of Wisconsin Power and Light Company to close this docket.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

5-EI-132 – Complaint of the Municipal Utilities Regarding Reasonable Conditions and Compensation for Use of Municipally Owned Poles

The Commission granted the request filed on behalf of the cities and villages of Arcadia, Brodhead, Cumberland, Eagle River, Hustisford, Lodi, Marshfield, New Holstein, Plymouth, Prairie du Sac, Reedsburg, Rice Lake, Richland Center, Sun Prairie and Whitehall to dismiss the complaint and close this docket.

The Commission directed the Telecommunications Division to draft an order consistent with its discussion.

9502-SI-100 – Investigation of Complaint Filed by the Town of Brookfield Sanitary District No. 4 Concerning the Sewer Service Charges of the City of Brookfield

Request for Supplemental Order of Clarification Filed by the City of Brookfield

The Commission denied the request filed on behalf of the city of Brookfield for a Supplemental Order clarifying the Commission's May 22, 2008, Final Decision and Order with regard to the water consumption proxy in Appendix B.

The Commission encouraged the parties to meet and work out a mutually agreeable formula for calculating the sanitary sewer charges for the Town of Brookfield.

The Commission directed the Division of Water, Compliance and Consumer Affairs to draft an order consistent with its discussion.

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5-TI-1875 – Application for Approval of the Interconnection Agreement Between Southwestern Bell Telephone Company, d/b/a AT&T Kansas (AT&T Kansas), and CoreTel Kansas, Inc.

The Commission discussed the record and modified the Proposed Final Decision (PFD) in this matter, adopting the interconnection agreement between Southwestern Bell Telephone Company, d/b/a AT&T Kansas, and CoreTel Kansas, Inc.

The Commission modified the caption of the docket, Finding of Fact No. 4, Conclusions of Law 2 and 4, expanded the PFD jurisdiction discussion, included an omitted phrase in the UNE-P/switching section of the PFD, and withdrew the PFD discussion of collocation to direct adoption of the parties' indicated settlement. The Virtual FX issue discussion was retained except for a modification proposed by AT&T to track such traffic. Other minor typographical errors were corrected. Other party-proposed changes were rejected.

The Commission delegated authority to the Administrator of the Telecommunications Division to assure compliance with the Final Decision and effect completion of a contract for submission under the Commission's approval procedures.

Commissioner Azar dissented from the decision related to the expanded jurisdiction discussion's analysis of the "provided further" clause in the Merger Commitment 7.1 and the virtual FX issue.

The Commission directed the Telecommunications Division to prepare a draft final decision based on its discussion and directed it be brought back before the Commission for review and final approval.

6720-TI-211 – Complaint and Request to Open Docket on Behalf of Sprint Communications Company L.P., Sprint Spectrum L.P., Nextel West Corp., and NPCR, Inc., against Wisconsin Bell, Inc., d/b/a AT&T Wisconsin

The Commission discussed the record in this matter and approved a set of directives to the parties to assist in the preparation of an interconnection agreement consistent with the Merger Order issued by the Federal Communications Commission.

Issue 6 regarding TELRIC pricing and Issue 13 regarding Wireless or E911 attachments were noted as resolved by the parties.

The Commission rejected inclusion of escrow provisions and a "whereas" clause regarding changes, and adopted the term of the Kentucky Interconnection agreement (ICA) set to end in December 2009.

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The Commission adopted Sprint's proposed terms regarding inclusion of wireless traffic (Issue 2).

The Commission determined that bill-and-keep was applicable because it was legally proper to attribute third-party traffic sent via AT&T to Sprint as AT&T traffic, and that, because Sprint and AT&T traffic was in rough balance as required for state-specific pricing, the Kentucky ICA provision could port (Issue 3).

The Commission determined that facilities sharing was a pricing issue and concluded that because the traffic was roughly balanced as demonstrated by Sprint, the Kentucky ICA provision regarding Issue 5 could be ported.

Commissioner Azar concurs with the porting of the Kentucky ICA provisions regarding facilities sharing, but on a different ground, that it is a provision entitled to porting under the Merger Commitment rather than state-specific pricing.

The Commission directed the parties to meet and come back to the Administrator of the Telecommunications Division within 15 business days of the date of the order with a workable interconnection agreement, specifically directing the parties to renegotiate and resolve issues 7, 8, 10, 11 and 12. If the parties are unable or unwilling to resolve these issues, the Division Administrator shall have the authority to decide and resolve the issues.

This matter was delegated to the Administrator of the Telecommunications Division to resolve any party disputes and to determine whether a final ICA text complied with this final decision and could be submitted for approval under Commission procedures.

The Commission directed the Telecommunications Division to draft an order consistent with its discussion.

The Commission adjourned the meeting at 11:57 a.m.

Sandra J. Paske Secretary to the Commission